



## Minnesota Housing eNews Alert

September 16, 2009

# Neighborhood Stabilization Program (NSP) Updates

### Year-to-Date Obligations Report

The September 30, 2009 quarterly report deadline to HUD is approaching fast. To confirm Minnesota Housing has logged the correct total of obligations made by each subrecipient, a report illustrating the balance on our records is being made available for you. Please review reported balances listed for your city or county and indicate whether this amount is correct.

[Access the Year-to-Date Obligations Report](#)

If corrections are needed, please send a revised copy via email to [nsp.mhfa@state.mn.us](mailto:nsp.mhfa@state.mn.us), **no later than September 29, 2009**. Revised reports should include each obligation and drawdown amount by activity, including property addresses.

### Projected Obligations - "Schedule D" of the NSP Grant Agreement

During the next phase of the grant process, Minnesota Housing will be reviewing the progress of each subrecipient.

Due to the multiple steps needed for fund draw completion, and time spent in the negotiations phase of subrecipients' grant agreement, most subrecipients are behind in their estimated projection of funds obligated by the six-month mark.

Therefore, subrecipients should reevaluate their obligation goals originally projected on "Schedule D" of their grant agreements. Subrecipients may determine new goal projections, including current goal status, and provide a revised "Schedule D", which should include clearly-defined goals to accomplish set obligations for the six-month, nine-month, and 12-month marks.

Please note, subrecipients who find themselves behind in projected goals must submit an explanation of changes that will ensure obligation completion within 18 months time. **The deadline for submission is September 29, 2009.**

### Contract Amendments Deadline

As detailed in the September 2, 2009 eNews, the **deadline for any amendment request is September 20, 2009**. Please send your request by email to [nsp.mhfa@state.mn.us](mailto:nsp.mhfa@state.mn.us). Please note that Minnesota Housing is not soliciting contract changes, but will consider contract amendments that are relevant or imperative for the success of the program. Minnesota Housing is not accepting requests for increases in awarded amounts.

## **Minnesota Housing REO Properties**

In an effort to increase subrecipients' opportunities for negotiating contracts on Minnesota Housing REO properties, effective today and monthly hereafter, Minnesota Housing is releasing its projected list of REO properties. The [Minnesota Housing Projected REO Properties](#) list will contain projected REO's from the date of Sheriff's Sale through the six-month redemption period.

## **Review Guidance - Minnesota Housing Projected REO Properties**

1. Subrecipients are encouraged to target acquisition activities to properties within 60 days of the projected acquisition date.
2. Subrecipients must notify, in writing or through email, Minnesota Housing portfolio management staff regarding any interest in a property prior to the date of acquisition (redemption expiration date). See contact information on report.
3. Portfolio management staff will negotiate sales price based on an appraisal and the anticipated sales price. Subrecipients are encouraged to have their own appraisal for the NSP program.
4. Subrecipients will be notified by Minnesota Housing staff when they can gain access to a property in which they have expressed an interest.
5. Minnesota Housing as the initial successor in interest will provide subrecipients with documentation confirming that tenant rights were not violated. Documentation will be conditional for closing.
6. Subrecipients will have two weeks (10 business days) to accept the negotiated sales price. Failure to respond within this time frame will result in the property being listed to the public.

## **Questions?**

Contact Ruth Simmons at 651.297.5146, or email your questions to [nsp.mhfa@state.mn.us](mailto:nsp.mhfa@state.mn.us).